



Appropriations Update

Committee on the Budget • Majority Caucus
U.S. House of Representatives
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HOMELAND SECURITY APPROPRIATIONS BILL FOR FISCAL YEAR 2004 – H.R. 2555

SUMMARY

The Homeland Security appropriations bill reported to the House on 23 June 2003 (H.R. 2555; H. Rept. 108-169) provides new budget authority [BA] equal to the 302(b) suballocation for the Homeland Security subcommittee. Although the bill is within the subcommittee's allocation,

one provision violates the budget resolution rule limiting advance appropriations. Still, the Biodefense Countermeasures [Bioshield] initiative causing the breach was assumed in the budget resolution, and its cost was assumed in the total spending figures for 2004-13.

COST OF THE LEGISLATION

As reported, H.R. 2555 provides \$29.411 billion in new budget authority [BA] and \$30.506 billion in outlays for 2004. This is an increase of \$8.144 billion in BA and an increase of \$6.757 billion in outlays from fiscal year 2003 (not including the Iraq conflict supplemental (Public Law 108-11)), and is \$1.192 billion in BA above the President's request (see Table 1 below). The Iraq conflict supplemental provided \$7 billion in additional BA to Homeland Security, including \$3.1 billion for airline industry relief, \$2.2 billion for Office of Domestic Preparedness grants to State and local governments, and \$1.7 billion in other expenses, largely for border and transportation security.

The Homeland Security bill provides \$890 million for the Biodefense Countermeasures [Bioshield] initiative for fiscal year 2004. It also provides funds for the initiative for future years through advance appropriations. The \$890 million in

fiscal year 2004 funding was held in reserve in the budget resolution for potential release to the Committee on Appropriations. Although the House Budget Committee Chairman is concerned that the reported bill provides an advance appropriation for fiscal year 2005 of \$2.528 billion that, if enacted, could be limited next year to achieve budgetary savings for the fiscal year 2005 appropriations bill, he released the \$890 million to the Committee on Appropriations on 24 June 2003 because the requirements of section 404 of the budget resolution have been met. Including the amounts released from the reserve, new BA for Homeland Security would increase 38.3 percent over fiscal year 2003 spending.

The bill does not contain emergency-designated new budget authority, nor does it contain rescissions of previously enacted budget authority.

Table 1: Homeland Security Appropriations Bill
(fiscal years; millions of dollars)

	2003 Spending ^a	Administration 2004 ^b	302 (b) for 2004	Bill
Budget Authority	21,267	28,219	29,411	29,411
Outlays	23,749	29,446	30,506	30,506

^a Does not include \$7.002 billion in BA and \$3.809 billion in outlays included in the fiscal year 2003 Iraq conflict supplemental (Public Law 108-11).

^b Adjusted to include \$890 million in BA and \$258 million in outlays for Bioshield.

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This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of all the committee's members.

**COMPLIANCE
WITH THE BUDGET RESOLUTION**

The bill complies with sections 302(f) and 311(a) of the Budget Act. The first of these prohibits consideration of any bill that exceeds a subcommittee's 302(b) allocation for new budget authority. The second, section 311(a), prohibits consideration of legislation exceeding the aggregate levels of BA and outlays established in the budget resolution. The \$29.411 billion in new discretionary BA is the same as the 302(b) allocation to the House Appropriations Subcommittee on Homeland Security; outlays are also equal to the allocation. Because no appropriations bills for fiscal year 2004 have been enacted, there is ample room under the BA ceiling, and hence the bill would not violate section 311(a).

Nevertheless, the bill does not comply with section 501 of the fiscal year 2004 budget resolution. This section limits

the programs for which advance appropriations may be provided, and limits the total amount of advance appropriations to \$23.2 billion.

As noted above, H.R. 2555 provides an advance appropriation for the Biodefense Countermeasures [Bioshield] initiative of \$2.528 billion. The budget resolution did not include this program on the list of activities that may be funded from advance appropriations. The budget resolution did not anticipate that this new program would be funded by advance appropriations; in fact, the House Budget Committee Chairman is concerned that the advance appropriation included in the reported bill, if enacted, could be limited next year to achieve budgetary savings for the fiscal year 2005 appropriations bill.

Table 2: Discretionary Spending in the Homeland Security Appropriations Bill
(in millions of dollars)

	2003 Budget Authority ^a	2003 Outlays ^a	2004 Budget Authority	2004 Outlays	Difference BA	Difference Outlays
Border and Transportation Security	11,119	10,363	14,932	16,372	3,813	6,009
<i>Transportation Security Agency</i>	3,021	3,861	3,182	5,609	161	1,748
<i>Customs and Immigration Enforcement</i>	6,846	5,493	8,078	7,495	1,232	2,002
<i>Office for Domestic Preparedness</i>	1,084	823	3,503	3,108	2,419	2,285
<i>Federal Law Enforcement Training Ctr.</i>	168	186	169	160	1	-26
Coast Guard	5,134	5,067	5,662	5,314	528	247
Emergency Preparedness and Response	2,202	5,948	5,079	5,629	2,877	-319
Secret Service	1,019	1,018	1,153	1,164	134	146
Citizenship and Immigration Services	669	535	249	335	-420	-200
Science and Technology	573	328	900	564	327	236
Department Management	300	263	447	438	147	175
Information Analysis and Infrastructure Protection	175	156	776	476	601	320
Inspector General	76	71	80	79	4	8
Other/Rounding			133	135	133	135
Total	21,267	23,749	29,411	30,506	8,144	6,757

^a Does not include \$7.002 billion in BA and \$3.809 billion in outlays included in the fiscal year 2003 Iraq conflict supplemental (Public Law 108-11).

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DISCUSSION

Fiscal year 2004 appropriations for the Homeland Security subcommittee total \$8.1 billion more than fiscal year 2003 (without the Iraq conflict supplemental). This increase is largely due to the following:

- *Border and Transportation Security - \$3.8 billion:* The bill increases the Office of Domestic Preparedness by \$2.4 billion, to a total of \$3.5 billion in State and local aid for terrorism prevention and emergency response. The bill provides \$1.2 billion for Customs and Immigration Enforcement, mainly for salaries and expenses (\$461 million) and automation and infrastructure modernization (\$429 million). The bill provides \$269 million more than the President's request.
- *Emergency Preparedness and Response - \$2.9 billion:* The bill increases funding for Disaster Relief by \$1

billion over fiscal year 2003 to return it to a more regular level of funding. The bill also includes \$890 million for Bioshield. The bill provides \$750 million more than the President's request.

- *Information Analysis and Infrastructure Protection - \$601 million:* The bill provides additional funds for remediation and protective actions (\$312 million), the national communications system (\$141 million), and infrastructure and risk assessment (\$84 million). The bill provides \$53 million less than the President's request.
- *Coast Guard - \$528 million:* The bill provides the \$500-million increase over fiscal year 2003 requested by the President for operating expenses, plus \$30 million for the Deepwater initiative.

**OTHER HOUSE COMMITTEE ON THE BUDGET
MAJORITY STAFF PUBLICATIONS**

In addition to *Appropriations Update*, the Budget Committee majority provides the following publications:

- *Budget Week* - This document is published on the Mondays of legislative weeks, and presents brief, early assessments of any expected budgetary problems with legislation scheduled for the floor.
- *Legislative Update* - Like the *Appropriations Update*, this document is published for major authorization bills, detailing any anticipated violations of budgetary rules.

- *Economic Update* - This is a monthly publication that presents an objective and authoritative discussion of key economic indicators.
- *Budget and Economic Monitor* - This publication reviews broader program or economic issues and their potential impact on the budget.

For more information, call the committee majority staff office, (202) 226-7270, or see the committee's website www.budget.house.gov.

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